

For immediate release

15 September 2015

Premier African Minerals Limited
(“Premier” or the “Company”)
Corporate and RHA Project Update

Further to the Company’s recent statements regarding progress, Premier African Minerals Limited, the AIM-traded, multi-commodity mining and resource Development Company focused on Southern and Western Africa, is pleased to provide a further corporate and general project update. Premier is the operator of RHA Tungsten Project (“RHA”) in Zimbabwe and holds a 49% interest.

Highlights:

- **RHA process plant throughput 25% ahead of expectations in steady state**
- **Plant optimisation on recoveries ongoing**
- **Second shipment dispatched; revenues anticipated from mid-September 2015**
- **Increase in Resource tonnage anticipated**
- **Acceleration of Underground development under investigation**
- **Reduction of loan notes conversion trigger to \$130 per mtu (current price \$190/mtu)**

George Roach, CEO, commented:

“Further to the Company’s announcements of 8 July and 25 August 2015, I am pleased to report that the RHA process plant is now in steady state operation and is achieving a throughput 25% higher than initial design expectations. Optimisation of the recovery circuits is underway and is expected to be completed following upgrading of certain material circulating pumps.

“The enhanced plant throughput, anticipated resource upgrades from underground and a decision to expedite underground development are all likely to offset the effects of the early production delays in the medium term. With that in mind, the Company is pleased to confirm an interim reduction in the APT price related loan notes conversion trigger to \$130 per mtu.”

RHA process plant and production update

The process plant now has the ability to process in excess of 20 tonnes per hour into the recovery circuits. Appropriate Process Technologies (“APTech”), the supplier and designer of the plant, has acknowledged that additional modifications are necessary to improve material flows between certain components of the recovery circuits. These modifications will be undertaken by APTech at their expense. It is expected that improved material flows will result in improved recoveries.

Underground development and resource upgrade

The Company has previously reported 100,000 tonnes grading 0.75% WO₃ non-compliant developed reserves in situ on the 865 level in the historic underground workings. With the excess capacity available in the plant and with projected reduced opex from underground operations forecast in our previous studies, the Company has initiated an investigation into the fast-track development of the required infrastructure to mine this ore body. Required infrastructure may include laying of 150m of reclaimed rail tracks on the 926 level. The 926 level exits close to the plant ROM pad which will simplify material handling. Services required may include limited ventilation and compressed air, as well as power and water reticulation.

Apart from this, RHA has approximately two months mined ore on the ROM pads ready to feed the plant. Mining from the open pit was initially accelerated to access the un-weathered near surface ore described in the mining resource model that is anticipated to carry higher grade with depth. Apart from the mineralisation on the 865 level referenced above, the Company has direct and immediate access to visible ore on the 926 adit level. It was this material that was used in the original RHA metallurgical test work. This ore is immediately available and as some infrastructure and material required to mine and deliver this to the ROM pad is already available at site, the Company intends to mine this material and blend with the existing open pit material already on the ROM pad. First delivery of this ore is targeted in Quarter 4. The effect is expected to be both an upgrade of the present plant feed and an extension of the use of ore already on the ROM pad with significant cost savings on open pit mining costs.

Work in the developing open pit has provided valuable geological information and this is particularly evident in the eastern sections of the 955m benches where crosscutting shearing and faulting has led to the offset of the Lode 2W. These shears are often mineralised with visible mineralisation and have been mined in the past by previous workers. This is expected to support additional resource definition in the underground developments.

APT pricing

Under the terms of the loan notes (“Notes”) subscribed by Darwin Strategic Limited (“Darwin”) on 29 April 2015 to fund the development of RHA, Darwin has the right to convert outstanding Notes into new Premier ordinary shares if, *inter alia*, the APT price as quoted by Bloomberg for five consecutive trading days is at or below \$230 per mtu or such lower price as may be mutually agreed between the Company and Darwin (“Trigger Price”). The Company is pleased to confirm that it has agreed with Darwin that the Trigger Price will be adjusted downwards from \$230 per mtu to \$130 per mtu with effect from today until 31 December 2015. In consideration of the Trigger Price adjustment, the Company has also agreed to issue £50,000 of new warrants to Darwin to subscribe for new Ordinary Shares in Premier for a period of two years following the issue date (at an exercise price based on the average Premier share price immediately prior to issue of the warrant, subject to adjustment).

Furthermore, George Roach agreed with Darwin to increase the Option Price under the Put Option Agreement (as announced on 29 April 2015) from US\$2,000,000 to US\$2,400,000, expiring on close of business on the date on which there are no longer any loan notes outstanding.

The amendment to the Put Option Agreement is a related party transaction for the purposes of the AIM Rules. The Board of Premier, other than George Roach, have not participated in the Put Option Agreement and are therefore independent under the AIM Rules for the purposes of considering the Put Option Agreement (the "Independent Directors"). The Independent Directors consider, having consulted with the Company's nominated adviser, that the amendment to the Put Option Agreement is fair and reasonable insofar as the Company's shareholders are concerned.

Qualified Person

Werner Swanepoel, Chief Operating Officer of Premier, has reviewed and approved the technical commentary above, other than to the extent that reference is made to resource grade, which has been reviewed as set out below. Mr Swanepoel has 22 years' experience in the Southern African mining industry and holds a Master's degree in Mining Engineering, an MBA and Mine Manager's Certificates in both Metalliferous and Coal Mining. He is a registered Professional Engineer with the Engineering Council of South Africa.

Bruce Cumming has reviewed and approved the commentary above to the extent reference is made to geological resource and resource grade. Mr. Cumming holds a Bachelor of Science (Honours) in Geology from the University of Cape Town and is accredited to the South African Council for Natural Scientific Professionals (SACNASP). Mr. Cumming has sufficient geological experience (over 35 years).

Forward Looking Statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "envisage", "estimate", "intend", "may", "plan", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors. A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although any forward looking statements contained in this announcement are based upon what the

Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such forward looking statements.

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Notes

Premier African Minerals Limited (AIM: PREM) is a multi-commodity mining and resource development company focused in Southern and Western Africa with production started at its flagship RHA project in Zimbabwe.

The Company has a diverse portfolio of projects, which includes tungsten, rare earth elements, gold, lithium and tantalum in Zimbabwe and Togo, encompassing brownfield projects with near-term production potential to grass-roots exploration. The Company also holds 2 million shares in Circum Minerals Limited ("Circum"), the owners of the Danakil Potash Project in Ethiopia, which has the potential to be a world class asset. At present those shares are valued at US\$2.5 million based on the latest price at which Circum has accepted subscriptions at the last reporting date.

Glossary

"mtu"	means metric ton unit, i.e. 10Kg of contained WO ₃ in concentrate
"WO ₃ "	means tungsten tri-oxide.

ENDS